

House concurred in Senate amendments to H.B. No. 7 on May 29, 2015: Yeas 144, Nays 2, 2 present, not voting; passed by the Senate, with amendments, on May 26, 2015: Yeas 31, Nays 0.

Approved June 15, 2015.

Effective September 1, 2015.

COMPUTATION AND RATES OF THE FRANCHISE TAX; DECREASING TAX RATES

CHAPTER 449

H.B. No. 32

AN ACT

relating to the computation and rates of the franchise tax; decreasing tax rates.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. (a) This Act shall be known as the Franchise Tax Reduction Act of 2015.

(b) The legislature finds that the tax imposed by Chapter 171, Tax Code, has not provided sufficient reliability for property tax relief. It is the intent of the legislature to promote economic growth by repealing the franchise tax.

SECTION 2. Sections 171.002(a) and (b), Tax Code, are amended to read as follows:

(a) Subject to Sections 171.003 and 171.1016 and except as provided by Subsection (b), the rate of the franchise tax is 0.75 ~~one~~ percent of taxable margin.

(b) Subject to Sections 171.003 and 171.1016, the rate of the franchise tax is 0.375 ~~[0.5]~~ percent of taxable margin for those taxable entities primarily engaged in retail or wholesale trade.

SECTION 3. Sections 171.1016(a) and (b), Tax Code, are amended to read as follows:

(a) Notwithstanding any other provision of this chapter, a taxable entity whose total revenue from its entire business is not more than \$20 ~~[\$10]~~ million may elect to pay the tax imposed under this chapter in the amount computed and at the rate provided by this section rather than in the amount computed and at the tax rate provided by Section 171.002.

(b) The amount of the tax for which a taxable entity that elects to pay the tax as provided by this section is liable is computed by:

(1) determining the taxable entity's total revenue from its entire business, as determined under Section 171.1011;

(2) apportioning the amount computed under Subdivision (1) to this state, as provided by Section 171.106, to determine the taxable entity's apportioned total revenue; and

(3) multiplying the amount computed under Subdivision (2) by the rate of 0.331 ~~[0.575]~~ percent.

SECTION 4. This Act applies only to a report originally due on or after the effective date of this Act.

SECTION 5. The comptroller of public accounts shall conduct a comprehensive study, no later than September 30, 2016, to identify the effects of economic growth on future state revenues. The results of the study shall be reported to the governor and the Legislative Budget Board. The report should identify revenue growth allocation options to promote efficiency and sustainability in meeting the revenue needs of this state, including revenues allocated by Section 171.4011, Tax Code, upon repeal of the franchise tax.

SECTION 6. This Act takes effect January 1, 2016.

Passed by the House on April 29, 2015: Yeas 115, Nays 29, 1 present, not voting; the House concurred in Senate amendments to H.B. No. 32 on May 28, 2015: Yeas 133, Nays 10, 1 present, not voting, the House adopted H.C.R. No. 143 authorizing certain corrections in H.B. No. 32 on May 31, 2015: Yeas 144, Nays 0, 2 present, not voting; passed by the Senate, with amendments, on May 24, 2015: Yeas 24, Nays 6, the Senate adopted H.C.R. No. 143 authorizing certain corrections in H.B. No. 32 on May 31, 2015: Yeas 31, Nays 0.

Approved June 15, 2015.

Effective January 1, 2016.

**AN ALTERNATIVE MEANS OF PAYMENT OF CERTAIN PAST
DUE CRIMINAL FINES AND COURT COSTS**

CHAPTER 450

H.B. No. 121

AN ACT

relating to an alternative means of payment of certain past due criminal fines and court costs.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. The heading to Chapter 103, Code of Criminal Procedure, is amended to read as follows:

CHAPTER 103. PAYMENT, COLLECTION, AND RECORDKEEPING]

SECTION 2. Chapter 103, Code of Criminal Procedure, is amended by adding Article 103.0025 to read as follows:

Art. 103.0025. ALTERNATIVE PAYMENT PROCEDURE FOR CERTAIN PAST DUE FINES AND COSTS. (a) *This article applies to a defendant's past due payment on a judgment for a fine and related court costs if a capias pro fine has been issued in the case.*

(b) *Notwithstanding any other provision of law, the court may adopt an alternative procedure for collecting a past due payment described by Subsection (a). Under the procedure, a peace officer who executes a capias pro fine or who is authorized to arrest a defendant on other grounds and knows that the defendant owes a past due payment described by Subsection (a):*

(1) *shall inform the defendant of:*

(A) *the possibility of making an immediate payment of the fine and related court costs by use of a credit or debit card; and*

(B) *the defendant's available alternatives to making an immediate payment; and*

(2) *may accept, on behalf of the court, the defendant's immediate payment of the fine and related court costs by use of a credit or debit card, after which the peace officer may release the defendant as appropriate based on the officer's authority for the arrest.*

(c) *A peace officer accepting a payment under Subsection (b)(2) may also accept payment for fees for the issuance and execution of the capias pro fine.*

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.